

## Message Text

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50

ACTION EA-14

INFO OCT-01 ADP-00 AGR-20 EB-11 AID-20 CIAE-00 DODE-00

PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10 PA-03 RSC-01

PRS-01 SS-15 USIA-15 IO-13 OMB-01 RSR-01 COME-00

TRSE-00 /149 W

----- 061945

R 271056Z AUG 73

FM AMEMBASSY SAIGON

TO SECSTATE WASHDC 6460

NOINFO RUMJNE/AMCONSUL NHA TRANG 1218

AMCONSUL BIEN HOA

AMCONSUL DANANG

USDEL JEC PARIS

C O N F I D E N T I A L SAIGON 15449

E.O. 11652: GDS

TAGS: PINT, ECON, PINS, VS

SUBJECT: PRESIDENT THIEU VISITS DELTA TO CONSOLIDATE RICE CONTROL  
SYSTEM

THE FOLLOWING SENT SAIGON FROM AMCONSUL CAN THO 25 AUGUST 73  
REPEATED FOR YOUR ACTION AND INFO.

QUOTE:

C O N F I D E N T I A L CAN THO 0678

E.O. 11652: GDS

TAGS: EAGR, VS

SUBJECT: PRESIDENT THIEU VISITS DELTA TO CONSOLIDATE RICE  
CONTROL SYSTEM

SUMMARY: PRESIDENT THIEU MET WITH THE 16 DELTA PROVINCE CHIEFS ON  
AUGUST 23 IN CAN THO TO DISCUSS THE RICE SITUATION. NO AMERICANS  
WERE INVITED, BUT, AS FAR AS WE HAVE BEEN ABLE TO DETERMINE, RICE  
WAS THE SOLE TOPIC OF CONVERSATION. CONTROL MEASURES, DEPENDING  
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PRINCIPALLY ON RD CADRE, AT THE FAMILY LEVEL HAVE BEGUN. DELTA

PROVINCES HAVE BEGUN TO ISSUE DETAILED SCHEDULES OF PRICES IN RELATION TO THE OFFICIAL SAIGON PRICES. IN CAN THO CITY, PRICES HAVE ACTUALLY DROPPED IN RECENT DAYS, AND ARE CURRENTLY BELOW THE OFFICIAL CEILING. END SUMMARY.

1. NEW FIGURES FOR GOVERNMENT CONTRACTS WERE ESTABLISHED FROM NOW UNTIL THE END OF OCTOBER. A TOTAL OF 70,000 TONS WILL BE PURCHASED. RICE PRESENTLY ON HAND IN THE DELTA IS ESTIMATED AT 169,000 TONS, LEAVING 99,000 TONS FOR THE FREE MARKET. OF THIS, SOME 17,000 TONS WILL BE AVAILABLE FOR FREE MARKET EXIQTW TO THE END OF SEPTEMBER.

2. NEW FIGURES FOR THE LAST QUARTER OF THE YEAR WERE MADE AVAILABLE TO THE CG IN STRICTEST CONFIDENCE. THE FIGURES IN COLUMN A BELOW ARE MR IV CALCULATIONS. THE FIGURES IN COLUMN B ARE CONGEN CALCULATIONS BASED ON THE COMPONENT PROVINCIAL FIGURES REPORTED. (NOTE: THERE ARE DISCREPANCIES IN GVN FIGURES WHICH WE CANNOT EXPLAIN AS OTHER THAN MATHEMATICAL ERROR.) ITEM NUMBERS CORRESPOND TO THE GVN STATISTICAL SUMMARY.

ALL FIGURES ARE IN THOUSANDS OF METRIC TONS IN PADDY REPEAT PADDY FOR THE ENTIRE DELTA:

(2) PRODUCTION A. 1588 B. 1587

(3) LOCAL CONSUMPTION A. 781 B. 781

(4) ANIMAL FEED # RICE CAKE A. 182. B. 182

(5) SEED A. 55;7?. 58

(6) SUBTOTAL: TOTAL LOCAL USE (3PLUS4PLUS5) A. 970 B. 1022

(7) INCREASED NET STORAGE (2-6) A. 618 B. 565

(8) EXPORTS IN OCTOBER A. 60 B. 144

(9) EXPORTS IN NOVEMBER A. 113 B. 112

(10) EXPORTS IN DECEMBER A. 144 B. 144

(11) SUBTOTAL: EXPORTS OCTOBER TO DECEMBER (8PLUS9PLUS10)  
A. 278 B. 316

(12) TOTAL AVAILABLE FOR EXPORT REPORTED ON AUGUST 17 A. 338

(13) STORAGE LESS EXPORT (7-12) A. 340

(14) STORAGE LESS EXPORT REPORTED ON AUGUST 17 A. 280

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COMMENT: THE MOST SIGNIFICANT REVISION OF THE CALCULATIONS MADE EARLIER APPEARS TO BE THE REDUCED PLANNED SHIPMENTS TO SAIGON IN THE LAST QUARTER--DOWN FROM 338,000 TONS TO 278,000 (MR IV CALCULATION). THE ESTIMATE OF PADDY IN STORAGE AFTER EXPORT WAS REVISED UPWARD FROM 280,000 TONS TO 340,000.

3. CONTROL OF RICE STOCKS AT THE INDIVIDUAL PEASANT FAMILY IS TO BE EFFECTED BY THE RD CADRE IN EVERY VILLAGE AND HAMLET IN THE

DELTA. RD TEAMS HAVE BEGUN TO INVENTORY PRIVATE PADDY AND RICE STOCKS ABOVE 100 KILOS. A CONSOLIDATED DELTA-WIDE REPORT IS TO BE COMPLETED BY AUGUST 29. GVN OFFICIALS HOPE THAT THE INVENTORY SHOULD PROVIDE AT LEAST A GENERAL IDEA OF RICE HELD PRESENTLY AT THE FAMILY LEVEL. CONTROL OF STOCKS HELD BY RICE MERCHANTS, LANDOWNERS AND MILIS CONTINUES TO BE THE RESPONSIBILITY OF PROVINCE CHIEFS.

4. PURSUANT TO THE NEW OFFICIAL SAIGON RICE PRICES (MINISTRY OF ECONOMY DECREES 339 AND 340, AUGUST 17), PROVINCES HAVE BEGUN TO PUBLISH CORRESPONDING LOCAL LISTS. PHONG DINH PROVINCE ON AUGUST 22 ANNOUNCED THE FOLLOWING CEILINGS:

-- RICE, WHOLESALE (100 KILOS) - FROM VN\$ 10,760 (BROWN RICE CH. 2, 45 PERCENT BORKEN) TO VN \$ 13,760 (VERY WHITE NO. 1, 15 PERCENT BORKEN).

--RICE, RETAIL (100 KILOS) - FROM VN \$ 11,190 TO VN\$ 14,310.

--PADDY (20 KILOS) - FROM VN\$ 1300 (BROWN) TO VN 1560 (LONG GRAIN, VERY WHITE, 15 PERCENT BORKEN).

5. ACTUAL MARKET PRICES (RETAIL) IN CAN THO CITY ON AUGUST 23 PER 100 KILOS WERE: PADDY (LONG GRAIN) VN\$9000; PADDY (MEDIUM GRAIN) VN\$8500; RICE (LONG GRAIN) VN\$14,000; RICE (MEDIUM GRAIN) VN \$13,500.

LEHMAN UNQUOTE  
MARTIN

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## Message Attributes

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**Decaption Date:** 01 JAN 1960  
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**Disposition Approved on Date:**  
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